

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND**

ELIZABETH A. RECUPERO and RAY
MORRISON, Derivatively on Behalf of
OSIRIS THERAPEUTICS, INC.,
31 Marron Ave.
Stoughton, MA 02072

Plaintiffs,

VS.

PETER FRIEDLI,
c/o Osiris Therapeutics, Inc.
7015 Albert Einstein Dr.
Columbia, MD 21046

YVES HUWYLER,
c/o Osiris Therapeutics, Inc.
7015 Albert Einstein Dr.
Columbia, MD 21046

JAY M. MOYES,
c/o Osiris Therapeutics, Inc.
7015 Albert Einstein Dr.
Columbia, MD 21046

THOMAS M. BRANDT,
c/o Osiris Therapeutics, Inc.
7015 Albert Einstein Dr.
Columbia, MD 21046

Defendants,

and

OSIRIS THERAPEUTICS, INC.
7015 Albert Einstein Dr.
Columbia, Howard County, MD 21046
c/o The Corporation Trust Inc.
351 West Camden Street
Baltimore, MD 21201,

Nominal Defendant.

Plaintiffs Elizabeth A. Recupero and Ray Morrison, Nominal Defendant Osiris Therapeutics, Inc. (“Osiris”), and Defendants Peter Friedli, Yves Huwyler, Jay M. Moyes, and Thomas M. Brandt (collectively, “the Parties”), each by and through their respective counsel, respectfully file this Stipulation for Voluntary Dismissal With Prejudice. In support of this Stipulation, the Parties state as follows:

WHEREAS, this is a shareholder derivative action on behalf of nominal party Osiris against certain of its directors and officers alleging that those individuals breached their fiduciary duties through a lack of oversight, engaged in gross mismanagement of the Company and were unjustly enriched as a result of failing to disclose that Osiris had filed misleadings statements with the United States Securities & Exchange Commission, and that making a demand on the Board would have been futile;

WHEREAS, a similar shareholder derivative action on behalf of Osiris against certain of its directors and officers for alleged similar violations of defendants’ fiduciary duties was pending before the United States District Court for the District of Maryland (the “District Court”), *Salley v. Osiris Therapeutics, et al.*, Case No. 17-cv-03777 (the “*Salley Action*”) and is the subject of a settlement;

WHEREAS, the parties submitted the settlement for approval before the District Court;

WHEREAS, the District Court preliminarily approved the settlement and approved the form and manner of notice to Osiris shareholders provided for in the Stipulation of Settlement dated October 24, 2018;

WHEREAS, Osiris provided notice in accordance with the District Court’s preliminary approval order;

WHEREAS, having received no objections from any Osiris shareholders, on February 1, 2019, the District Court approved a settlement and release of the derivative claims pending before it (the “Settlement”) and entered a Final Order and Judgment, attached hereto as Exhibit A;

WHEREAS, in light of the Settlement and Final Order and Judgment in the *Salley* Action, the derivative claims in this action should be dismissed with prejudice; and

WHEREAS, because notice was provided to Osiris shareholders concerning the proposed settlement and final order of dismissal in the *Salley* Action, and no objections were filed, the Parties request that the Court exercise its discretion to grant this stipulation without requiring additional notice to Osiris shareholders regarding the voluntary dismissal of this action.

THEREFORE, IT IS STIPULATED AND AGREED by the Parties, through their respective counsel of record, that the above-captioned action be dismissed with prejudice with each party to bear its own attorneys’ fees, costs and expenses, and that, with the Court’s permission, notice need not be provided to Osiris shareholders regarding this voluntary dismissal.

Respectfully submitted,

/s/ Cynthia L. Leppert

Cynthia L. Leppert (Bar No. 05857)
Neuberger, Quinn, Gielen, Rubin & Gibber, P.A.
One South Street, 27th Floor
Baltimore, MD 21202
Tel: (410) 332-8529
Fax: (410) 332-8578
Email: CLL@NQGRG.com

GAINEY MCKENNA & EGLESTON
Thomas J. McKenna (*admitted pro hac vice*)
440 Park Ave., South
New York, NY 10016
Tel: (212) 983-1300
Fax: (212) 983-0383
Email: tjmckenna@gme-law.com

*Counsel for Plaintiffs Elizabeth A. Recupero
and Ray Morrison*

/s/ Scott R. Haiber

Scott R. Haiber (Bar No. 25947)
Hogan Lovells US LLP
100 International Drive, Suite 2000
Baltimore, MD 21202
Telephone: (410) 659-2700
Facsimile: (410) 659-2701

Counsel for Nominal Defendant Osiris Therapeutics, Inc.

/s/ David Barmak

David Barmak (Bar No. 06816)
Mintz Levin Cohn Ferris Glovsky & Popeo, P.C.
701 Pennsylvania Avenue NW
Washington, D.C. 20004
Telephone: (202) 434-7300

Counsel for Defendant Jay Moyes and Thomas M. Brandt

/s/ Douglas W. Baruch

Douglas W. Baruch (Bar No. 12554)
Fried, Frank, Harris, Shriver & Jacobson LLP
801 17th St NW
Washington, DC 20006
Tel: (202) 639-7000
Fax: (202) 639-7003
douglas.baruch@friedfrank.com
karl.groskaufmanis@friedfrank.com

Counsel for Defendant Yves Huwyler

/s/ Andrew D. Freeman

Andrew D. Freeman (Bar No. 03867)
Brown Goldstein Levy LLP
120 East Baltimore Street, Suite 1700
Baltimore, Maryland 21202
Tel: (410) 962-1030
Fax: (410) 385-0869
adf@browngold.com

Counsel for Defendant Peter Friedli